AMENDMENTS TO THE SPECIFICATION

Please replace Paragraphs [0031] and [0054] with the following paragraphs rewritten in amendment format:

[0031] Referring now to FIGS. 3 and 3A, a preferred construction for torque coupling 38 will now be described in greater detail. Torque coupling 38 includes a case assembly 78 that is mounted in or forms part of housing 68 36 of drive axle assembly 34. A bearing assembly 80 supports input shaft 42 for rotation relative to case assembly 78. In addition, input shaft 42 is shown to include an integral end plate 82 that is rigidly secured (i.e., welded) to clutch drum 60. An end plate segment 84 of drum 60 is rotatively supported by a bearing assembly 86 from case assembly 78. Pinion shaft 44 has a first end rotatably supported by a bushing or bearing assembly 88 in a central bore formed in input shaft 42 while its second end extends out of end plate segment 84 of drum 60 and is rotatably supported from case assembly 78 by a bearing assembly 90. Clutch actuator 48 generally includes a rotary operator 92, a thrust mechanism 94, and an apply plate 96. Apply plate 96 is secured (i.e., splined) for rotation with drum 60 of transfer clutch 46.

[0054] Referring now to FIG. 12, torque coupling 238 is schematically illustrated in association with an on-demand four-wheel drive system based on a front-wheel drive vehicle similar to that shown in FIG. 11. In particular, an output shaft 240 of transaxle 20 is shown to drive an output gear 242 which, in turn, drives an input gear 244 that is fixed to a carrier 246 associated with front differential unit 25. To provide drive torque to front wheels 22, front differential unit 25 includes a pair of side gears 248 that are connected to front wheels 22 via axleshafts 24. Differential unit 25 also includes

pinions 250 that are rotatably supported on pinion shafts fixed to carrier 246 and which are meshed with side gears 348 248. A transfer shaft 252 is provided for transferring drive torque from carrier 246 to a clutch hub 62 associated with transfer clutch 46. PTU 26 is a right-angled drive mechanism including a ring gear 324 254 fixed for rotation with drum 60 of transfer clutch 46 and which is meshed with a pinion gear 256 fixed for rotation with propshaft 28. According to the present invention, the components schematically shown for torque transfer mechanism 238 are understood to be similar to those previously described. In operation, the power transfer system permits drive torque to be adaptively transferred from the primary (i.e., front) driveline to the secondary (i.e., rear) driveline.